



SellSouth Enlocement Indiana, Isa. Suin 387 125 Parimeter Genter West Aliente, Georgia 30346

June 13, 2001

Ms. Terri Lyndall
Smith, Galloway, Lyndall & Fuchs, LLP
Suite 250
5040 Roswell Road
Atlanta, Georgia 30342

Dear Terri:

We appreciate you and your client, US LEC taking the time to speak with BellSouth about the difficulties with access services purchased by US LEC in Georgia. BellSouth is committed to addressing US LECs concerns.

BellSouth provides US LEC data each month documenting BellSouth's performance in providing and maintaining special access circuits ordered by US LEC. This data reveals that since January 2001, US LEC has experienced an improvement in the percentage of failure frequencies and has an overall failure frequency of 4.35% for a DS1 service level. HellSouth realizes that while its performance with US LEC is improving, this level of service is not satisfactory to US LEC and its customers.

However, to clarify one point raised by US LEC during our conference call on May 30, 2001, US LEC is not the only customer that has expressed concern about BellSouth's performance with respect to special access. There are other customers here in Georgia that are experiencing the same type of issues. Indeed, based on BellSouth's investigation, the service provided to US LEC in maintaining and repairing special access circuits in Georgia is comparable to the service provided to other special access customers. BellSouth is in the process of gathering the data to illustrate this point and will provide the data to US LEC as soon as it is finalized.

In response to the failure frequency issues raised by US LEC as well as other BellSouth customers, BellSouth has established a Failure Frequency Process Improvement Team to analyze the failure frequencies, identify root causes, and develop gap closure plans. As a result of the teams' findings, BellSouth has developed improvement initiatives that will be implemented in the near future to address special access performance issues. A summary list of these improvement initiatives is as follows:

- Awareness Training
- Formal Training
- Measurements and Reports
- Quality Reviews
- Increased Testing Tools
- ACAC Repeat Procedure Changes
- Continued Analysis

BellSouth will provide more details on these initiatives as soon as they are available. Please note that while BellSouth believes that these initiatives will improve the failure frequency by reducing the number of outages and duration of such outages, BellSouth does not expect that these initiatives will eliminate all outages. Network outages are in fact an inherent part of the business.

In addition to the improvement initiatives outlined above, BellSouth would like to continue the weekly calls with US LEC to discuss outages with a duration exceeding three hours. As in the past, BellSouth will look to US LEC to supply the list of outages meeting this criterion to be discussed on the call by no later than the Friday afternoon before the Tuesday call. Please keep in mind that the intent of these calls is to discuss the outages that exceed three hours in duration and to provide US LEC a high level preliminary explanation for the cause of such outages. Obviously, when BellSouth only has a few days to investigate a particular outage, the explanation that BellSouth provides on the weekly call may not be as detailed as if a root cause analysis were conducted. If after the call, US LEC requires additional information, US LEC may submit a written request for a root cause analysis on a specific outage to its account team.

Also, it is very important to note that while these calls are beneficial to help identify problem areas within the network, the calls are not intended to fully resolve all issues surrounding the cause of the outage. The information obtained on these calls will assist BellSouth in tailoring its improvement initiatives to isolate and resolve future outages and further improve BellSouth's internal processes.

Terri, I trust that the information provided in this letter adequately responds to the issues raised by US LEC on our earlier conference call. If I have left something out of this response, or if US LEC requests additional information, please let me know. BellSouth is committed to providing quality service to its customers, and we appreciate US LEC giving us the opportunity to work together to resolve these issues.

Sincerely,

Susan M. Arrington

cc: Bennett Ross Lynn Holmes Greg Harcrow



US LEC Corp. Morrocroft III 6801 Morrison Boulevard Charlotte, North Carolina 28211 704.319.1000 Fax 704.319.3020 1.800.133.7280 Websik www.uslee.com

July 11, 2001

Direct Dial: 724.319.1074

Ms. Susan Arrington
BellSouth Telecommunications Inc.
125 Perimeter Center West
Suite 387
Atlanta, GA 30346

RE: Your letter of June 13, 2001 to Terri Lyndall

Dear Ms. Arrington:

I am writing in response to your letter of June 13, 2001, which I note was addressed and sent to Terri Lyndall, without any copies to US LEC. In the future, kindly address BellSouth's correspondence on this matter to my attention at US LEC, with a copy to our Georgia counsel, Ms. Lyndall.

First of all, let me express US LEC's keen disappointment with your response. Your letter fails to make any commitments to rectify any of the issues US LEC raised with the Georgia Public Service Commission and with you, Mr. Ross and Ms. Holmes personally, nor has BellSouth's performance improved since we initially spoke.

To date, BellSouth has provided no evidence to refute our claims of recurring and lengthy outages. In fact, it seems likely that BellSouth cannot refute these outages and the pattern they represent, especially since US LEC has provided BellSouth with data based on your own trouble ticket citations. More problematic, in light of your statement that "Network outages are in fact an inherent part of the business", we now have no reasonable basis to believe that these outages will not continue unabated.

Your letter refers to the establishment of a "Failure Frequency Process Improvement Team" (FF-PIT). You make it sound like this team was established as a result of our recent complaints and discussions. At the same time, you allude to the fact that "BellSouth has developed improvement initiatives that will be implemented in the near future . . ."

We look forward to to learning how this Team has completed its work so quickly. More important, in the spirit of cooperation, please identify the members of the team (names and titles), provide its mission statement, agenda, timeline for work program, expected outcomes, etc. Without this specific information, all we have is your statement that the team exists and this does not give US LEC the opportunity to evaluate whether in fact BellSouth is doing anything of real substance.



I also must tell you that I was somewhat taken aback by your comment that US LEC is not the only CLEC experiencing network outages. This only proves our point-- network reliability does not exist. And it confirms our view that this pattern of continued outages -- which average more than 5 hours -- represents anti-competitive actions by BellSouth whose purpose is to harm US LEC and other CLECs who are "experiencing the same type of issues."

Finally, while we have no objection *per se* to continuing the weekly calls, in the absence of real progress -- and we have not seen any thus far -- we are curious as to what BellSouth believes is being accomplished on these calls. Indeed, your only substantive proposal was your offer to provide a more detailed root cause analysis. We accept that offer, but only if you commit to providing the root cause analysis in a timely manner, i.e. within 14 business days.

Without some concrete evidence of process improvements and actions BellSouth is taking to address our concerns, US LEC will be left with no alternative but to file a formal complaint with the Georgia Public Service Commission. We trust that will not be necessary.

Sincerely,

Wanda G. Montano

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Vice President,

Regulatory & Industry Affairs

Cc:

Bennett Ross, Esq. Terri Lyndall, Esq. Michael L. Shor, Esq. Sumner Smith, Esq.



BellSouth Telecommunications, Inc.

Suite 397 125 Perimeter Center West Atlanta, Georgia 30346

August 21, 2001

Ms. Wanda G. Montano Vice President, Regulatory & Industry Affairs U.S. LEC 6801 Morrison Boulevard Charlotte, North Carolina 28211

Dear Ms. Montano:

I am writing in response to your letter to me dated July 11, 2001. The intent of my letter was not to address each and every outage experienced by US LEC, but to let US LEC know that we are aware of the outage issues experienced by US LEC, and that BellSouth was taking steps to implement improvement initiatives to address these issues for not only US LEC, but other carriers as well.

The internal Failure Frequency Process Improvement Team I mentioned in my letter was not formed as a direct result of US LECs outage issues discussed on our conference call of May 29, 2001. This team has been working on the failure frequency issues for some time and has just recently completed its investigations and released its findings. As I mentioned before, this team's efforts resulted in a number of improvement initiatives to improve BellSouth's performance on failure frequency. We will be glad to provide US LEC with an overview of these improvement initiatives that are currently being implemented by BellSouth at your meeting with Phil Jacobs scheduled for August 29, 2001

BellSouth is very concerned about the outages experienced by US LEC and is committed to improving its performance.

Sincerely,

Susan M. Arrington

Manager

Regulatory & External Affairs

cc:

Lynn Holmes

Bennett Ross, Esq.

Terri Lyndall, Esq.

Charlotte, North Carolina 28211

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September 21, 2001

VIA FACSIMILE

Mr. Phil Jacobs President – Georgia BellSouth Telecommunications, Inc. 125 Perimeter Center West Suite 397 Atlanta, GA 30346

Dear Phil:

Thank you for the opportunity to meet with you and your staff on August 29, 2001. I was hopeful that this meeting would result in improved relations between BellSouth and US LEC, and more importantly would result in the reduction of outages in the facilities that US LEC purchases from BellSouth in Atlanta. As I am sure you know, our problems have continued and on Wednesday of this week, we experienced our second OC48 issue since our meeting, affecting numerous US LEC customers.

Since we met on August 29th, we have continued to communicate with the ACAC about process improvements in general as well as several specific outages, including the prior OC48 outage that took $4\frac{1}{2}$ days to resolve.

Over the past five days, US LEC has experienced both a DS-3 and a DS-1 being unmapped and removed in the Dunwoody office. US LEC has repeatedly shared this DS-3 unmapping issue with BellSouth. These DS3s contain live DS-1s on them and since the DACS machines contain a triple layer of safeguards, US LEC cannot understand how this error continues to recur. This particular issue has been raised repeatedly since last December – ten months is more than enough time to get people trained on this issue especially for a customer who spends over \$30M with BellSouth annually.

Moreover, we had one customer out of service for seven hours on Monday, seven hours on Tuesday, and on Wednesday was out for 5 hours - all because BellSouth cannot find a clean cable pair, and is now telling US LEC that the only solution is to pull new fiber – with a September 30th due date for the new fiber. In the meantime, the customer is out of service, and another 3½ days have gone by without resolution.

US LEC continues to work its escalations through the ACAC – without resolution. I understand that US LEC contacted your office twice in the last week to attempt to bring some pressure to bear to get two different situations resolved. On Wednesday,



we were told by Marian Hall that "US LEC is calling too much" and by Lynn Holmes to "stop calling Phil's office." Yet, when we escalated Wednesday's outage to Lynn, we did not get a call back from her, but did finally receive a call from Susan Arrington after about 3½ hours. If we could get results out of the ACAC and BellSouth's normal channels, we would not be trying to reach you or your staff.

Wanda Montano has circulated minutes of our meeting to you and other BellSouth representatives. You may recall from those minutes that one of the items discussed was the pro-active monitoring of US LEC DS-3 facilities by BellSouth. Yet, we ran a test where we took a DS-3 out of service on purpose and waited 24 hours for the call, which never came. Paula Switzer's note to Wanda in response was "yep, we missed that one."

As you know, US LEC has also been meeting with the Georgia Public Service Commission and seeking their guidance on how we can resolve these problems. Our goal is to protect our customers, but we cannot see any improvements and our brand name suffers every day. While I would have preferred that the problems be addressed without further involvement of the Commission, the track record since our meeting does not give me any reason to believe satisfactory results can be achieved without doing so, and we are preparing to follow that plan.

Sincerely,

Aaron D. Cowell, Jr.

President

ADC/ds

BellSouth Telecommunications, Inc. 125 Perimeter Center West Suite 397 Atlanta, GA 30346

Phil.Jacobs@bellsouth.com

Phil Jacobs
President-Georgia

770 391 2424 Fax 770 399 6355

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September 26, 2001

Mr. Aaron D. Cowell, Jr. President US LEC Corp. 6801 Morrison Boulevard Charlotte, North Carolina 28211

Dear Aaron:

I am in receipt of your letter dated September 21, 2001 and have forwarded it to our Interconnection Services group for a response. The issues raised in your letter are operational issues that are more appropriately addressed by your BellSouth Account Team. A response from Quinton Sanders, Sales – Vice President, will be forthcoming.

If you should need additional assistance, please let me know.

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Sincerely,

Quinton Sanders

BellSouth Telecommunications, Inc. 675 West Peachtree Street, N.E. Suite 4423 Atlanta, Ga 30375

quinton.sanders@bellsouth.com

Quinton E. Sanders
Vice President - Sales
Interconnection Services

404 927 7140 Fax 404 523 0346

October 8, 2001

Mr. Aaron D. Cowell President & CEO US LEC Corporation Morrocroft III 6801 Morrison Boulevard Charlotte, N.C. 20211

Dear Aaron,

This is in response to your letter of September 21, 2001, to Mr. Phil Jacobs in regards to US LEC's continued complaints about BellSouth's service in the state of Georgia. Mr. Jacobs requested that I respond to your request.

The BellSouth Access Customer Advocacy Center (ACAC) has been involved with US LEC and Georgia Network on the two recent issues you refer to as OC-48 outages. The initial outage was on a US LEC leased BellSouth OC-48 and was caused by a faulty card within the fiber system. The most recent OC-48 issue was a BellSouth interoffice facility issue that affected several US LEC circuits. The system had to be reset on the OC-48 equipment in the Dunwoody central office to bring the circuit up. In each instance, alarm tickets were generated and technicians were dispatched prior to US LEC reporting the troubles. These proactive steps are a part of the overall message BellSouth brought to US LEC during our last meeting on August 29, 2001.

The issue with the lengthy end-user outages was brought to the attention of both the ACAC and Georgia Network management and an action plan was developed with the Regional Technical Support Group (RTSG). The action plan was put in place and the circuit was redesigned to correct the problem. US LEC has requested a root cause analysis regarding the outages. BellSouth will provide the root cause analyses under separate cover.

The ACAC is the appropriate contact for US LEC regarding service outages. The ACAC escalates within the Georgia Network, as needed, to resolve network issues, including outages on Broadband Services. Any other root cause analysis issues should be sent through your BellSouth Account Team.

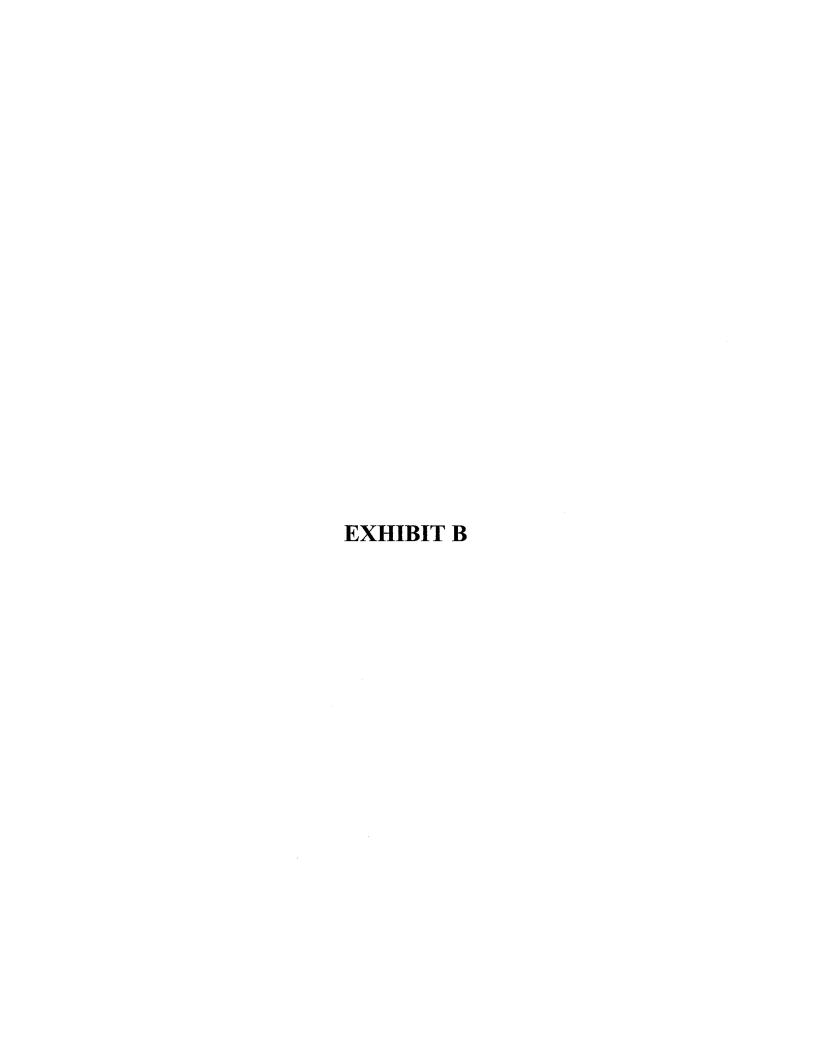
BellSouth is committed to addressing US LEC's concerns about BellSouth's service, and the action plan BellSouth has developed is further evidence of that commitment. Although BellSouth would have preferred to implement fully this action plan and to monitor BellSouth's performance after such implementation, US LEC elected instead to request on October 1, 2001 a meeting with the Staff of the Georgia Public Service Commission. BellSouth will cooperate fully with whatever meetings the Commission Staff may decide to convene.

If there are additional questions, please feel free to contact me or your BellSouth Account Team representative.

Sincerely,

CC:

Phil Jacobs Marc Cathey





BellSouth Interconnection Services

675 West Peachtree Street Atlanta, Georgia 30375

Carrier Notification SN91082810

Date:

January 16, 2002

To:

Competitive Local Exchange Carriers (CLECs)

Subject:

CLECs - Market Trial for BellSouth Project Management Coordination for

"After Hours Cut"

BellSouth Professional Training Services invites CLEC customers to participate in a market trial, wherein BellSouth will provide Project Management Coordination for "After Hours Cut."

Market Trial Details:

- Professional Services will conduct the market trial for Project Management Coordination for "After Hours Cut" from February 2002 through September 2002.
- Project Management Coordination services for "After Hours Cut" will be available for a fee.
- Hours for Project Management fall under the same guidelines as those for the Local Carrier Service Centers (LCSC) and are posted at the BellSouth Interconnection Services' Web site located at:

www.interconnection.bellsouth.com/centers/html/lcsc.html.

CLEC Participating Obligations:

- Any CLEC participating in this trial must designate a person to work with BellSouth. This person must be able to support "After Hours Cut" issues that arise.
- BellSouth fees will be no less than \$300 for the first hour of work and a maximum of \$600 for 3 hours of work.
- This fee does not include the normal Overtime charges that are applied to the Service Technicians, Service Representatives or any other affected employee.

If your company is interested in participating in this trial and you would like to receive the detailed requirements, please contact your BellSouth Project Manager.

Please contact your BellSouth Local Contract Manager with any questions.

Sincerely,

ORIGINAL SIGNED BY MATEO CAYMOL FOR JIM BRINKLEY

Jim Brinkley – Senior Director BellSouth Interconnection Services